

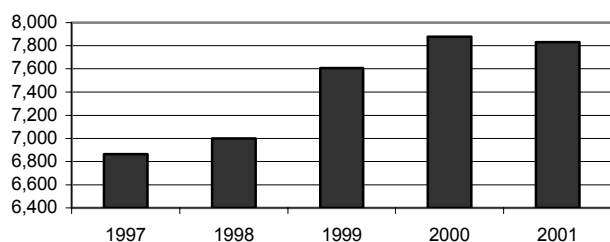
F.Y.I.

FOR YOUR INFORMATION

BUILDING CONSTRUCTION IN IDAHO

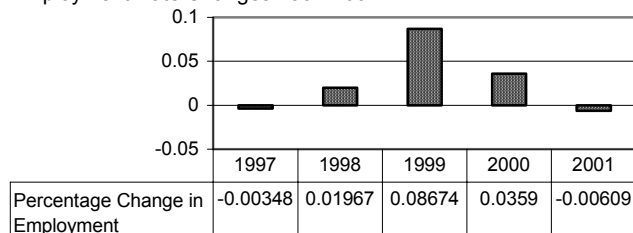
One way to measure an economy's health is to look at the employment trends in the building construction industry. The industry is made up of two parts—residential building construction (houses, apartments) and commercial building construction (stores, businesses, etc.). Idaho had experienced strong employment growth in general building construction from 1997-2001 (see FYI Chart 1). Although employment decreased slightly in 2001, Idaho still added nearly 1,000 new jobs in five years, resulting in a 14.1 percent growth rate in general building construction.

FYI Chart 1: Idaho Construction
Average Employment 1997-2001



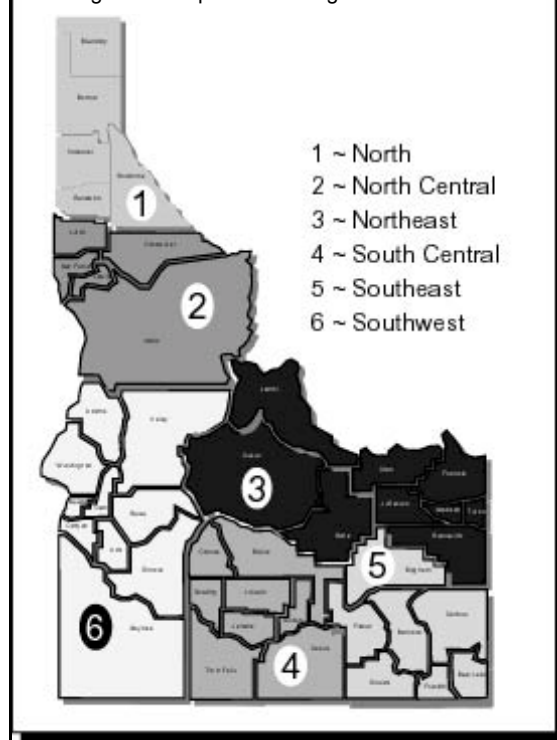
Idaho's building construction employment growth rates for each year from 1997 through 2001 are shown on FYI Chart 1A. In 1997 there was a small decrease in employment from the previous year. From 1998 through 2000, Idaho experienced strong growth in building construction employment. In 1998, building construction increased by 2 percent and in 1999, which was a good year for the Idaho economy, building construction increased by an impressive 8.7 percent. The year 2000 also showed good, but slowing growth, which turned into a decline in 2001.

FYI Chart 1A: Idaho Construction
Employment Rate Changes 1997-2001



When viewed on a regional level in Idaho, the employment growth in building construction has been varied. Idaho is divided into six regions for which monthly employment estimates are made. These regions are North, North Central, Northeast, South Central, Southwest (includes Boise MSA) and Southeast (see FYI Figure 1).

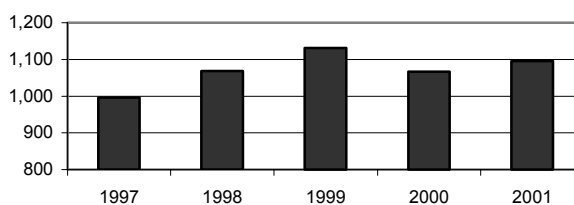
FYI Figure 1: Map of Idaho Regions



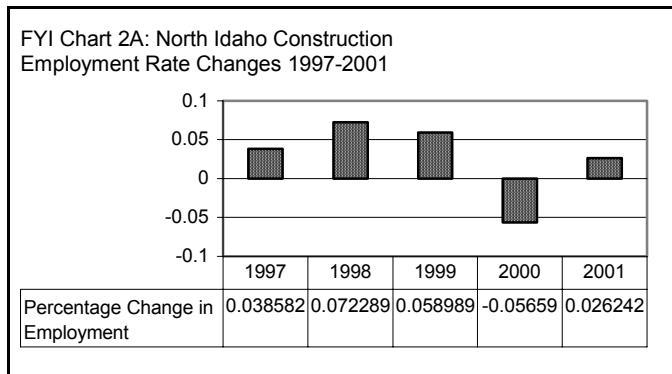
North Idaho – Benewah, Bonner, Boundary, Kootenai, and Shoshone Counties

North Idaho's general building construction industry makes up approximately 14.4 percent of the state total for this industry. North Idaho's employment in this industry experienced steady gains from 1997 with good growth in 1998 and in 1999, as shown in FYI Chart 2. Unfortunately, 2000

FYI Chart 2: North Idaho Construction
Average Employment 1997-2001



saw an employment decrease nearly equal to the employment increase in 1999, deflating the 2000 employment levels in North Idaho's building industry back down near the 1998 level. Unlike the state total in 2001, however, North Idaho's building construction rebounded and had an increase in employment, which left North Idaho's employment in this industry about 10 percent higher in 2001 than in 1997.

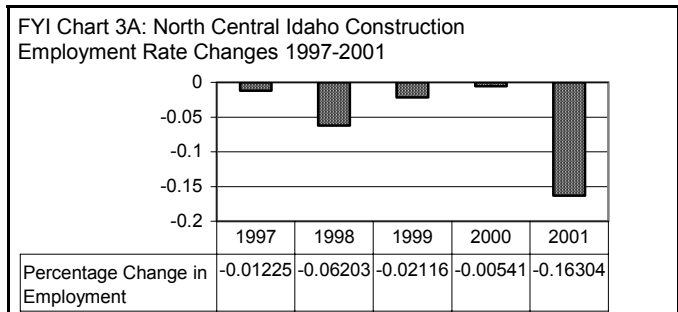
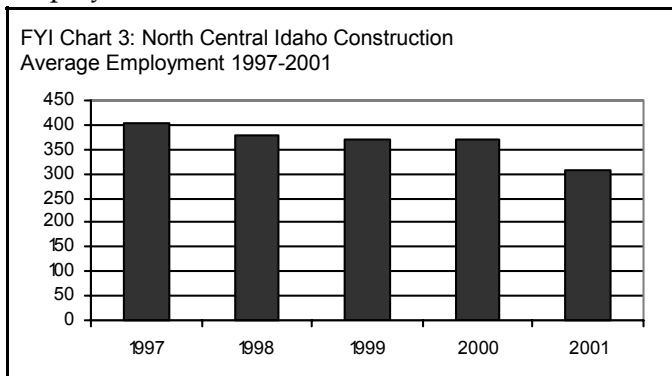


While North Idaho's employment in building construction showed growth in 1997, 1998, and 1999, it dropped nearly 6 percent in 2000 (see FYI Chart 2A). Though employment increased in 2001, it only made up for about half of the loss experienced in 2000.

North Central Idaho - Clearwater, Idaho, Latah, Lewis, and Nez Perce Counties

North Central Idaho's building construction industry average employment since 1997 has consistently made up approximately 5 percent of the state total. North Central Idaho experienced a steady decline in building construction employment every year between 1997 and 2001, as shown in FYI Chart 3. This was the only area of Idaho in which this trend occurred.

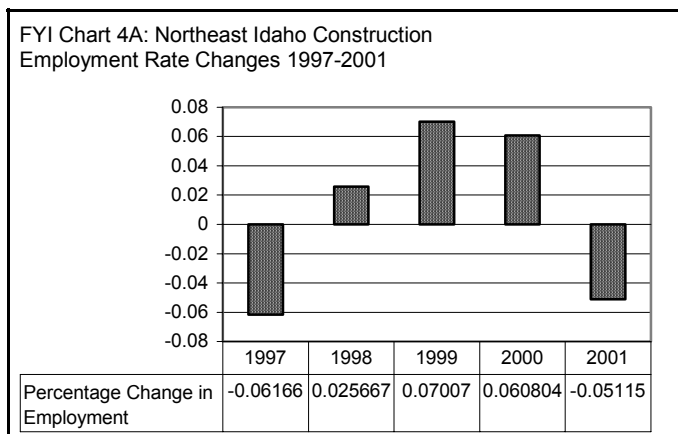
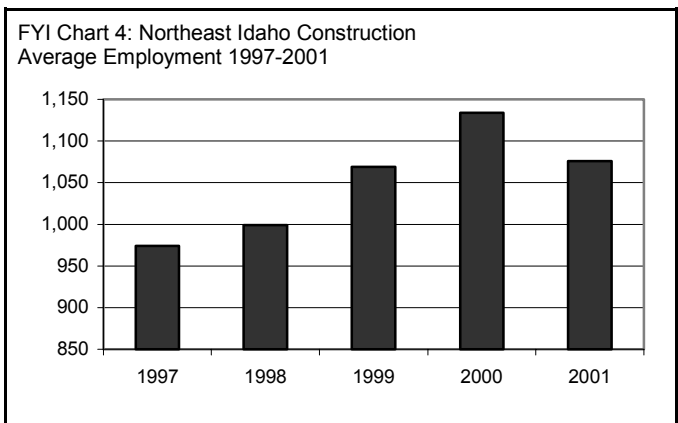
The leanest years in terms of employment growth rates for this region occurred in 1998 and 2001, as shown in FYI Chart 3A. The five years of employment declines in North Central Idaho



amount to a loss of 24 percent of the building construction jobs in this area of the state. North Central Idaho suffered the greatest decline in the building construction industry of any Idaho region.

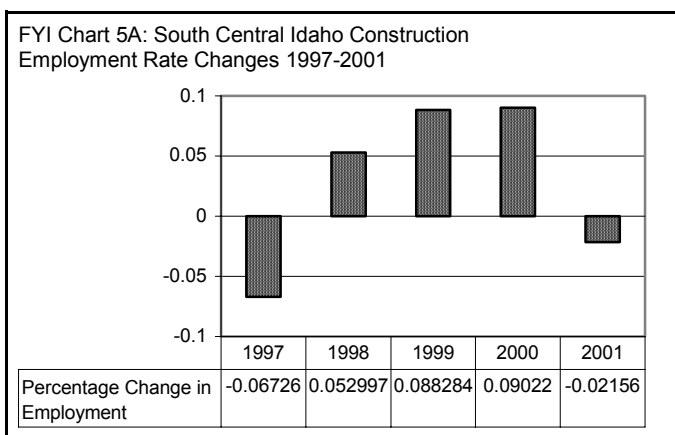
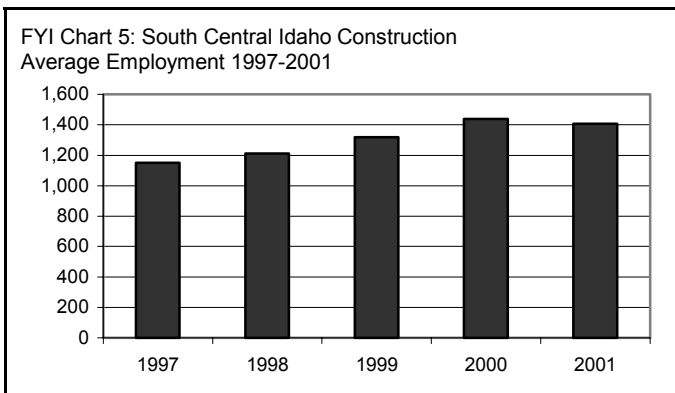
Northeast Idaho - Bonneville, Butte, Clark, Custer, Fremont, Jefferson, Lemhi, Madison, and Teton Counties

Northeast Idaho makes up approximately 14 percent of the statewide total employment in the building industry. This part of the state followed the statewide employment trends in which growth was realized from 1998 to 2000, with a decrease in 2001. (See FYI Chart 4.) Despite the drop in employment in 2001, building construction employment in Northeast Idaho grew by 10 percent from 1997 to 2001. Changes in employment growth rates for Northeast Idaho for 1997-2001 are shown in FYI Chart 4A.



South Central Idaho – Blaine, Camas, Cassia, Gooding, Jerome, Lincoln, Minidoka, and Twin Falls Counties

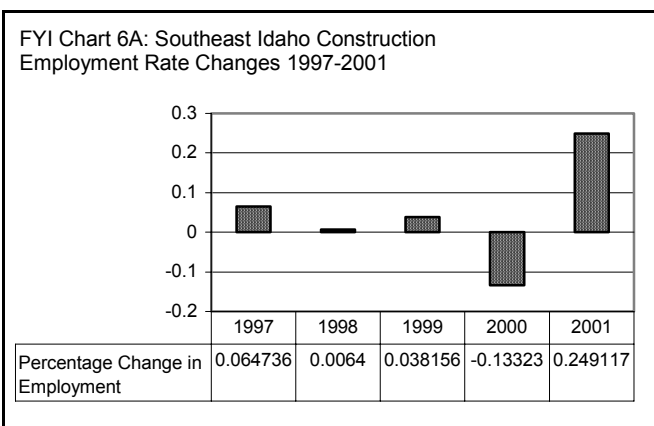
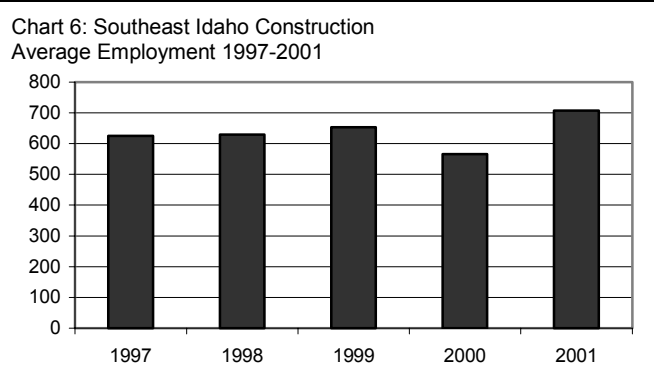
South Central Idaho makes up about 17.5 percent of the state employment in the building construction industry. The region followed the statewide trends just as the Northeast region did, showing steady employment growth from 1997 to 2001 when a small decline occurred (see FYI Chart 5). Despite 2001, South Central Idaho still experienced good growth in building construction during the five-year period of 1997-2001. The employment growth rates during that time period are shown in FYI Chart 5A.



South Central Idaho experienced the largest five-year gain in employment out of Idaho's six regions with an increase in building construction jobs of 22.2 percent.

Southeast Idaho – Bannock, Bear Lake, Bingham, Caribou, Franklin, Oneida, and Power Counties

Southeast Idaho makes up an average of 8.6 percent of statewide building construction employment. From 1997 to 2001, Southeast Idaho showed an overall increase in building construction employment of 13.1 percent. Employment levels for Southeast Idaho from 1997 to 2001 are shown in FYI Chart 6.

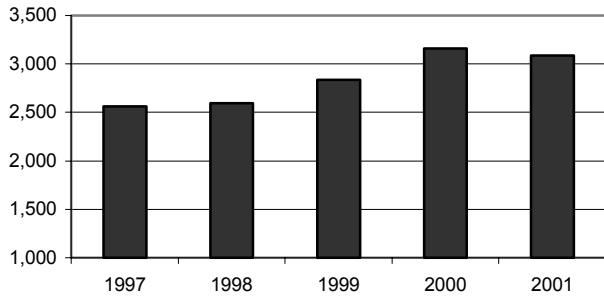


Southeast Idaho is one of three Idaho regions to show an employment increase in the building construction industry in 1997, and one of two regions to have an increase in 2001, bucking the statewide trend. Employment gains occurred from 1997 to 2000 when employment dropped. Independent of the statewide trend, however, 2001 showed a very strong gain in employment in Southeast Idaho, recovering from the loss in 2000 to post the area's largest employment figures of the five-year period. Employment growth rates for Southeast Idaho from 1997 to 2001 are shown in FYI Chart 6A.

Southwest Idaho – Ada, Adams, Boise, Canyon, Elmore, Gem, Owyhee, Payette, Valley, and Washington Counties

Southwest Idaho has the largest number of building construction workers of all six regions, making up 38.2 percent of the state total. This region was second to South Central Idaho in the five-year employment growth rate with a 20.5 percent increase in employment. However, the region created more new jobs—over 500—than any other region, which represented more than 50 percent of the state's total increase in jobs in this industry. The employment levels for Southwest Idaho from 1997 to 2001 are shown in FYI Chart 7. Employment growth rates for Southwest Idaho in the building

FYI Chart 7: Southwest Idaho Construction
Average Employment 1997-2001

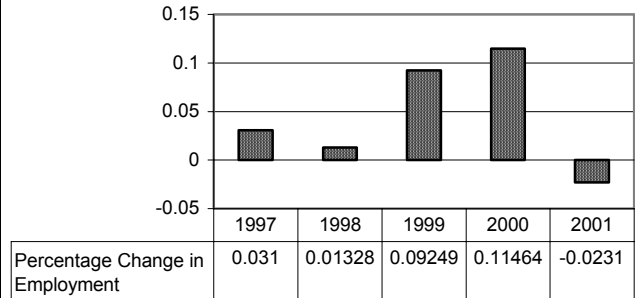


construction industry from 1997 to 2001 are shown in FYI Chart 7A. Despite a decrease in 2001, Southwest Idaho made strong gains in employment over the five-year period.

Summary

Building construction in Idaho has increased over the five-year period covering 1997 to 2001. With an increase of 14.1 percent statewide, five of the six regions in Idaho contributed to this increase in employment. Despite a slowdown in 2001, two regions still made employment gains although the state as a whole decreased in employment in this

FYI Chart 7A: Southwest Idaho Construction
Employment Rate Changes 1997-2001



industry. South Central Idaho had the largest percentage increase in employment in Idaho, while Southwest Idaho had the largest numerical gain, accounting for more than 50 percent of the increase statewide. Although the general building construction industry slowed in 2001, Idaho still experienced strong growth from 1997 to 2001.

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Seaport News — (continued from page 10)

- While the resource economy that supports many of the region's manufacturing jobs flounders, ATK's CCI-Speer operation in Lewiston is growing, propelled by the expansion of law enforcement after September 11. ATK is a weapons and aerospace manufacturer. Ammunition made in Lewiston is being purchased for new officers who were hired after September 11, including federal air marshals. ATK, which used to be known as Blount, has employed about 100 new workers, bringing the total in Lewiston to 750, according to company officials.
- While ATK is thriving after September 11, other Lewiston businesses suffered, especially those at the Lewiston-Nez Perce County Regional Airport. A restaurant at the airport closed for a time after September 11, then reopened under new management. Cloud Nine Salon at the airport closed for a short time in April after two stylists left for other jobs. The Hertz Rent A Car at the airport waived policies on one-way travel and made other accommodations to help people get home while airplanes were grounded after September 11. However, the business suffered financially because some cars ended up so far away they had to be returned by

truck. Map Travel reported negative sales after September 11, returning more to customers in refunds than it was making selling trips. But as security measures diminished throughout the country and time passed, customers returned. Map Travel experienced a key day on December 26 when agents who had been booking corporate travel almost exclusively saw a rebound in vacation packages at a time of year that sector normally is quiet. Hertz officials say they anticipate finishing this year stronger than last year in Lewiston. According to both Hertz and Map Travel, people seem to have adopted the attitude that they can't control what will happen, so they might as well make the trips they want.

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CENSUS 2000 LABOR FORCE BY GENDER & RACE

Idaho labor force data by gender and race/ethnicity from the 2000 census was recently released by the U.S. Census Bureau. *Data for state labor force components can be found in FYI Table 1 by gender, FYI Table 2 by race/ethnicity breakouts, and FYI Table 3 race/ethnicity data, broken out by gender.*

Between April 1990 and April 2000, Idaho's labor force grew by nearly 170,000 persons, or 34.58 percent, compared to an increase of more than 287,000 people, or 28.53 percent, in population. This means that in 2000, more of Idaho's population 16 years and older (the labor force) was working than in 1990.

Gender. A breakdown by gender provides more specific information about the changes in Idaho's population and labor force during the 1990s. For instance, the proportion of females to males in Idaho's labor force grew at a faster rate during the 1990s than

in the 1980s. From April 1990 to April 2000, the number of males in the labor force increased 31.32 percent compared to a 38.74 percent growth in the number females in the labor force. Both groups grew at a faster rate than the population did during the 1990s, with an increase of 147,000, or 29.48 percent, in the number of males in the population and an increase of over 139,000, or 27.58 percent, in the number of females. The number of unemployed males increased at a faster rate than the number of unemployed females—28.27 percent for males compared to 24.29 percent for females. However, the number of employed females grew at a much faster rate than the number of employed males—39.68 percent for females compared to 31.52 percent for males. The change in the labor force components had an interesting effect on the unemployment rate. In 1990, Idaho's unemployment rate was 6.1 percent. The breakdown in the unemployment rate for males and females was similar at 6.2 percent and 6.1

FYI Table 1: Idaho Labor Force by Gender

State of Idaho	2000 Census			1990 Census			Percent Change		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
Civilian Labor Force	636,237	348,573	287,664	472,773	265,440	207,333	34.58	31.32	38.74
Unemployed	36,784	21,065	15,719	29,070	16,423	12,647	26.54	28.27	24.29
% of Labor Force Unemployed	5.8	6.0	5.5	6.1	6.2	6.1			
Total Employment	599,453	327,508	271,945	443,703	249,017	194,686	35.10	31.52	39.68
Percent of:	Total	Male	Female	Total	Male	Female			
Civilian Labor Force	100.00	54.79	45.21	100.00	56.15	43.85			
Unemployed	5.78	3.31	2.47	6.15	3.47	2.68			
Total Employment	94.22	51.48	42.74	93.85	52.67	41.18			

Source: U.S. Census Bureau, 2000 Census, September 2000

FYI Table 2: Labor Force by Race/Ethnicity

State of Idaho	Total	White Alone	Black Alone	American Indian & Alaska Native Alone	Asian Alone	Native Hawaiian & Other Pac. Islander Alone	Other Race Alone	Two or More Races	Hispanic	White Alone Not Hispanic
Civilian Labor Force	636,237	585,069	2,086	7,820	5,912	573	24,207	10,570	42,690	569,150
Unemployed	36,784	31,618	126	1,264	341	78	2,446	911	4,164	30,216
% of Labor Force Unemployed	5.8	5.4	6.0	16.2	5.8	13.6	10.1	8.6	9.8	5.3
Total Employment	599,453	553,451	1,960	6,556	5,571	495	21,761	9,659	38,526	538,934
Percent of:	Total	White Alone	Black Alone	American Indian & Alaska Native Alone	Asian Alone	Native Hawaiian & Other Pac. Islander Alone	Other Race Alone	Two or More Races	Hispanic	White Alone Not Hispanic
Civilian Labor Force	100	91.96	0.33	1.23	0.93	0.09	3.80	1.66	6.71	89.46
Unemployed	100	85.96	0.34	3.44	0.93	0.21	6.65	2.48	11.32	82.14
Total Employment	100	92.33	0.33	1.09	0.93	0.08	3.63	1.61	6.43	89.90

Source: U.S. Census Bureau, 2000 Census, September 2002

percent, respectively. However, in 2000 the overall unemployment rate had dropped to 5.8 percent, but with a dramatic decrease in the female unemployment rate to 5.5 percent. The unemployment rate for males dropped slightly to 6.0 percent, a loss of two-tenths of a percentage point.

While a comparison of the labor force by gender between 1990 and 2000 census data can be made, the race/ethnicity categories are not directly comparable. The following statement from the U.S. Census Bureau explains why that is not possible.

Comparability. The data on race in Census 2000 are not directly comparable to those collected in previous censuses. The October 1997 revised standards issued by the Office of Management and Budget led to changes in the question on race for

Census 2000. The Census 2000 Dress Rehearsal data were the first to reflect these changes. First, respondents were allowed to select more than one category for race. Second, the sequence of the questions on race and Hispanic origin changed. In 1990, the question on race (Item 4) preceded the question on Hispanic origin (Item 7) with two intervening questions. For Census 2000, the question on race immediately follows the question on Hispanic origin. Third, there were terminology changes to the response categories, such as spelling out "American" instead of "Amer." for the American Indian or Alaska Native category; and adding "Native" to the Hawaiian response category. The 1990 category, "Other race," was renamed "Some other race." Other differences that may affect comparability involve the

FYI Table 3: Labor Force by Race and Gender										
2000 Census - Male										
State of Idaho	Total	White Alone	Black Alone	American Indian & Alaska Native Alone	Asian Alone	Native Hawaiian & Other Pac. Islander Alone	Other Race Alone	Two or More Races	Hispanic	White Alone Not Hispanic
Civilian Labor Force	348,573	318,890	1,424	4,024	2,906	317	15,195	5,817	26,091	309,432
Unemployed	21,065	18,406	98	751	115	19	1,222	454	2,265	17,565
% of Labor Force Unemployed	6.0	5.8	6.9	18.7	4.0	6.0	8.0	7.8	8.7	5.7
Total Employment	327,508	300,484	1,326	3,273	2,791	298	13,973	5,363	23,826	291,867
Percent of:	Total	White Alone	Black Alone	American Indian & Alaska Native Alone	Asian Alone	Native Hawaiian & Other Pac. Islander Alone	Other Race Alone	Two or More Races	Hispanic	White Alone Not Hispanic
Civilian Labor Force	100.00	91.48	0.41	1.15	0.83	0.09	4.36	1.67	7.49	88.77
Unemployed	6.04	5.28	0.03	0.22	0.03	0.01	0.35	0.13	0.65	5.04
Total Employment	93.96	86.20	0.38	0.94	0.80	0.09	4.01	1.54	6.84	83.73
2000 Census - Female										
State of Idaho	Total	White Alone	Black Alone	American Indian & Alaska Native Alone	Asian Alone	Native Hawaiian & Other Pac. Islander Alone	Other Race Alone	Two or More Races	Hispanic	White Alone Not Hispanic
Civilian Labor Force	287,664	266,179	662	3,796	3,006	256	9,012	4,753	16,599	259,718
Unemployed	15,719	13,212	28	513	226	59	1,224	457	1,899	12,651
% of Labor Force Unemployed	5.5	5.0	4.2	13.5	7.5	23.0	13.6	9.6	11.4	4.9
Total Employment	271,945	252,967	634	3,283	2,780	197	7,788	4,296	14,700	247,067
Percent of:	Total	White Alone	Black Alone	American Indian & Alaska Native Alone	Asian Alone	Native Hawaiian & Other Pac. Islander Alone	Other Race Alone	Two or More Races	Hispanic	White Alone Not Hispanic
Civilian Labor Force	100.00	92.53	0.23	1.32	1.04	0.09	3.13	1.65	5.77	90.29
Unemployed	5.46	4.59	0.01	0.18	0.08	0.02	0.43	0.16	0.66	4.40
Total Employment	94.54	87.94	0.22	1.14	0.97	0.07	2.71	1.49	5.11	85.89

Source: U.S. Census Bureau, 2000 Census, September 2002

individual categories on the Census 2000 questionnaire. The 1990 category, "Asian and Pacific Islander," was separated into two categories, "Asian" and "Native Hawaiian and Other Pacific Islander" for Census 2000. Accordingly, on the Census 2000 questionnaire, there were seven Asian categories and four Native Hawaiian and Other Pacific Islander categories. The two residual categories, "Other Asian" and "Other Pacific Islander," replaced the 1990 single category "Other API." The 1990 categories, "American Indian," "Eskimo," and "Aleut," were combined into "American Indian and Alaska Native." American Indians and Alaska Natives can report one or more tribes.

As in 1980 and 1990, people who reported a Hispanic or Latino ethnicity in the question on race and did not mark a specific race category were classified in the "Some other race" category ("Other" in 1980 and "Other race" in 1990). They commonly provided a write-in entry such as Mexican, Puerto Rican, or Latino. In the 1970 census, most of these responses were included in the "White" category. In addition, some ethnic entries that in 1990 may have been coded as White or Black are now shown in the "Some other race" group.

Race/Ethnicity. Since the 2000 data is not comparable to the 1990 data, it is difficult to comment on the changes in the last decade. If the respondents selected one of the 57 multiple race choices, they were classified as "Two or More Races." The following are highlights of the race/ethnicity findings for Idaho in the 2000 census.

Labor Force

- The *White Alone* category had the largest labor force.
- *Other Race* (not one of the five major groups) had the second largest labor force.
- More than 10,000 persons in the labor force identified themselves as multi-racial.
- *Hispanics* comprise 6.7 percent of the labor force.

Unemployment

- *American Indian & Alaska Native*, the third largest racial group, had the highest unemployment rate – 16.2 percent.
- The percent of the race unemployed was nearly double the percent employed in the categories of *American Indian & Alaska Native*, *Native Hawaiian & Other Pacific Islander*, and *Other Race*.

- The percent of *Hispanics* unemployed was double the percent employed.
- Females had a lower unemployment rate than males in the categories of *White*, *Black*, and *American Indian & Alaska Native*.
- *American Indian & Alaska Native* males had the highest unemployment rate among all of the male groups - 18.7 percent.
- *Native Hawaiian & Other Pacific Islander* females had the highest unemployment rate among all of the female groups – 23.0 percent.

Labor force data by gender and race/ethnicity is not only interesting, it is also used by a variety of people including social and economic planners, educators, and grant writers. Although the census is conducted only once every 10 years, the Idaho Department of Labor will project the information for the current year and the next year. This will be included in the Department's annual demographic profile of the state, which will be available in November at <http://www.labor.state.id.us/lmi/>.

Due to the large amount of data created from the census, county labor force data by gender and race/ethnicity is available only upon request. The information will be available on the Department's Internet site in late October or early November at <http://www.labor.state.id.us/lmi/>.

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Ask the Economist

This column addresses common questions that our readers have on the data we gather and provide. Please send your questions, comments, or suggestions via e-mail to lmi@jobservice.us or regular mail to Public Affairs, Idaho Department of Labor, 317 W. Main St., Boise, ID 83735.

This month we address the question “How can the unemployment rate be accurate when it only includes people receiving unemployment insurance benefits and many people who are out of work don’t receive unemployment insurance benefits?”

Many people assume that the unemployment rate is based only on unemployment insurance (UI) claims, but actually it is based on several elements and takes into consideration that many unemployed people do not receive UI benefits.

Unemployed people can be assigned to one of these four categories:

- (1) **job losers** – people who lost their most recent jobs, whether they were laid off due to economic conditions, fired for incompetence or insubordination, or lost their jobs when their own businesses failed;
- (2) **job leavers** – people who voluntarily left their last jobs and immediately began seeking new jobs;
- (3) **new entrants** to the labor market who haven’t found jobs yet (people who are seeking work for the first time); and
- (4) **re-entrants** who haven’t found jobs yet (people who worked before, but stopped working and looking for work for a period of time, and now are looking for work again. Examples include: people who left the labor market to be full-time homemakers and now are looking for work; people who have been full-time students and start looking for work when school ends; people who retired and then decide to look for work; and people who have been in prison and now are looking for work).

Normally, only job losers who lost their jobs through no fault of their own would receive UI benefits. Job leavers normally would not be eligible for UI benefits, because they voluntarily left their jobs. New entrants and re-entrants haven’t been working, so they would not be eligible for UI benefits. So, only job losers show up in UI data. Admittedly, the job losers make up the largest and most volatile of the four categories. Although all the categories will be influenced by economic conditions, job losers are the most influenced by the economic cycle. When the economy is expanding, there are fewer job losers. After the economy enters a recession, there usually is a sharp

increase in job losers. UI data gives us valuable information about this volatile category of unemployed workers.

In addition to UI claims, the economic model that creates Idaho’s unemployment rate relies on information from other sources to estimate total unemployment, including people from all four categories. An important source of information is the Current Population Survey (CPS), conducted each month by the U.S. Bureau of the Census for the U.S. Bureau of Labor Statistics. The CPS is the world’s largest survey and involves about 50,000 households throughout the United States each month. The CPS asks each household to answer questions about employment and job search activity for all household members 16 years and over. Their responses allow the CPS to classify each household member as employed, unemployed, or not in the labor force. The U.S. unemployment rate comes directly from the CPS. Idaho’s unemployment rate is partly based on the responses of the 762 Idaho households answering the CPS each month. From the CPS, we get important information about all unemployed people including job leavers, new entrants, and re-entrants.

The economic model also estimates the number of residents employed in Idaho, using estimates of *Nonfarm Payroll Jobs* in Idaho, based on a monthly survey of approximately 3,200 Idaho employers. The estimate of employed residents, in turn, affects the unemployment rate. The unemployment rate is calculated by adding the number of employed residents and the number of unemployed residents to obtain the civilian labor force. Then the civilian labor force number is divided by the number of unemployed residents to obtain the unemployment rate.

Although there are other small factors involved with developing the unemployment rate, the bottom line is that the Idaho Department of Labor and its partner, the U.S. Bureau of Labor Statistics, make every effort to include all categories of unemployed people. Although UI data plays a role in developing Idaho’s unemployment rate, it is only one of many information sources used to prepare a meaningful estimate of unemployed Idaho residents.

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